

Message Text

LIMITED OFFICIAL USE

PAGE 01 HELSIN 00333 191648Z

20

ACTION TRSE-00

INFO OCT-01 EUR-12 ISO-00 OIC-02 FEA-01 AGR-05 CEA-01

CIAE-00 COME-00 DODE-00 EB-07 FRB-03 H-02 INR-07

INT-05 L-03 LAB-04 NSAE-00 NSC-05 PA-01 AID-05

CIEP-01 SS-15 STR-04 ITC-01 USIA-06 PRS-01 SP-02

OMB-01 /095 W

----- 026244

R 191423Z FEB 76

FM AMEMBASSY HELSINKI

TO SECSTATE WASHDC 9657

INFO AMEMBASSY OSLO

AMEMBASSY STOCKHOLM

LIMITED OFFICIAL USE HELSINKI 0333

E.O. 11652: N/A

TAGS: ETRD, FI

SUBJECT: FINNISH CHEESE: COUNTERVAILING DUTY INVESTIGATION

REF: HELSINKI 0281

1. SUMMARY: US TREASURY OFFICIAL RICHARD SELF AND STATE DEPARTMENT OFFICIAL MARGARET JONES COMPETENTLY COMPLETED IN HELSINKI ANOTHER ROUND OF CHEESE COUNTERVAILING DUTY INVESTIGATION. CONSIDERABLE NEW AND/OR CLARIFYING DATA WAS OBTAINED BUT NO PROPOSALS ADVANCED BY FINNS FOR CHANGES IN FINNISH CHEESE EXPORT PROGRAM. NEXT MEETING WILL PROBABLY BE IN WASHINGTON IN APRIL.

2. VISIT FEBRUARY 12-16 OF RICHARD SELF OF TREASURY AND MARGARET JONES OF STATE TO CONSULT WITH FINNS ABOUT CHEESE COUNTERVAILING DUTY CASE WENT WELL. DURING ALL-DAY MEETING WITH FINNS ON FEBRUARY 13 SELF, ABLY ASSISTED BY JONES, WENT OVER PREVIOUSLY SUBMITTED FINNISH DATA TO CLEAR UP AMBIGUITIES.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 HELSIN 00333 191648Z

HE ALSO GOT PRELIMINARY ANSWERES TO QUESTIONS SUBMITTED

BY HIM THROUGH FINNISH EMBASSY WASHINGTON ON FEBRUARY 6.
IN ADDITION TO EXPECTED PARTICIPANTS MENTIONED PARA 2
REFTEL, REPRESENTATIVE OF MINISTRY OF TRADE AND
INDUSTRY WAS ALSO PRESENT. SELF AND JONES VISITED
TYPICAL FINNISH DAIRY OVER WEEKEND AND OTHERWISE GAINED
DIRECT KNOWLEDGE OF FINNISH AGRICULTURAL SITUATION.

3. FINNS AT FORMAL MEETING AND ON OTHER OCCASIONS SUCH
AS DINNER HOSTED BY ASSN. OF AGRICULTURAL PRODUCERS
EMPHASIZED POLITICAL AND SOCIO-ECONOMIC BASES OF PROGRAM
OF SUPPORT FOR FINNISH AGRICULTURE AND MADE NO SUGGESTIONS FOR
CHANGES IN PROGRAM. DAIRY FARMING IS ONLY PRACTICABLE WAY FINNS
COULD EMPLOY POPULATION IN NORTHERN AND EASTERN AREAS OF COUNTRY.
THEY STRESSED THAT EXPORT OF SOME CHEESE AND OTHER DAIRY PRODUCTS
WAS AN UNAVOIDABLE SIDE-EFFECT OF THIS POLICY. GOAL OF
GOVERNMENT WAS TO REDUCE SURPLUSES WHICH HAD TO BE
EXPORTED. DAIRY PRICE SUPPORT SYSTEM WAS NOT DESIGNED
TO INCREASE EXPORTS - RATHER IT WAS NECESSARY TO MAINTAIN
A VIABLE DAIRY INDUSTRY. FINNS ALSO ALLUDED TO TRADE
BALANCE WITH US, SHARPLY ADVERSE TO FINLAND.

4. SELF EXPLAINED US LEGISLATION REGARDING COUNTERVAILING
DUTIES AND EMPHASIZED THAT WHILE US WOULD KEEP IN MIND
POLITICAL AND SOCIO-ECONOMIC ASPECTS OF FINNISH CHEESE
EXPORT SITUATION, TREASURY DECISION ON COMPLAINTS WOULD
HAVE TO BE LARGELY ON "LEGAL" GROUNDS. HE ALSO POINTED
OUT IMPORTANCE OF CONSISTENCY IN SUCH DECISIONS - OTHER
COUNTRIES WILL BE WATCHING TO SEE WHETHER FINLAND GETS
A BETTER "DEAL."

5. UPSHOT OF FEBRUARY MEETING WAS AGREEMENT THAT FINNS
WOULD SUPPLY, THROUGH THEIR EMBASSY IN WASHINGTON, SOME
ADDITIONAL DATA REQUESTED BY US. IT WAS ALSO AGREED
THAT A FURTHER MEETING, PROBABLY IN APRIL, WAS DESIRABLE.
WASHINGTON WOULD BE THE SITE AND APPROPRIATE REPRESENTA-
TIVES FROM FINLAND WOULD PROBABLY PARTICIPATE. AT THIS
MEETING, BASIS FOR TEMPORARY WAIVER OF THE
TO-BE-EXPECTED (ACCORDING TO SELF) COUNTERVAILING DUTY
ORDER BY TREASURY WOULD BE SOUGHT.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 HELSIN 00333 191648Z

6. COMMENT: MEETING AND OTHER CONTACTS WERE BUSINESSLIKE
AND SERIOUS BUT UNHEATED. FINNS, HOWEVER, MADE CLEAR
THEIR UNHAPPINESS WITH LACK OF INJURY REQUIREMENT IN
US 1974 TRADE BILL IN RESPECT TO COUNTERVAILING DUTY
COMPLAINTS. MR. SELF CONDUCTED HIMSELF ADMIRABLY IN A
DIFFICULT SITUATION AND GAINED A MAXIMUM OF INFORMATION
WITH A MINIMUM OF EXACERBATION. EMBASSY, OF COURSE,
CONTINUES TO BELIEVE THAT A BASIS FOR A WAIVER CAN AND

SHOULD BE FOUND IF FINNS WILLING MAKE SOME CHANGES IN
THEIR SUBSIDY ARRANGEMENTS. FAILURE FIND BASIS WOULD CON-
STITUTE A SUBSTANTIAL SETBACK FOR OVERALL US POLICY
OBJECTIVES HERE.
AUSTAD

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: CHEESE, COUNTERVAILING DUTIES, INVESTIGATIONS
Control Number: n/a
Copy: SINGLE
Draft Date: 19 FEB 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: morefirh
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976HELSIN00333
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760063-0557
From: HELSINKI
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760236/aaaabevn.tel
Line Count: 120
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION TRSE
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 3
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 76 HELSINKI 281
Review Action: RELEASED, APPROVED
Review Authority: morefirh
Review Comment: n/a
Review Content Flags:
Review Date: 16 APR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <16 APR 2004 by CollinP0>; APPROVED <02 JUL 2004 by morefirh>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: FINNISH CHEESE: COUNTERVAILING DUTY INVESTIGATION
TAGS: ETRD, FI
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006